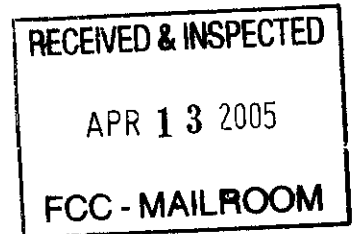




Office of the Superintendent

Telephone: (252) 583-5111
Fax: (252) 583-1474

**Letter of Appeal
Request for Review**



March 23, 2005

Billed Entity Name: Halifax County School District
Billed Entity #: 126889
Funding Year 2003: 07/01/03-06/30/04
Form 471 Application #: 371091
FRN #: 1012956
CC Docket No.02-6

DOCKET FILE COPY ORIGINAL

Contact Information:
Shelia Lowe, Technology Facilitator
Halifax County Schools
P O Box 468
9525 Highway 301
Halifax, NC 27839
(252) 583-5111 x. 228 phone
(252) 583-1474 fax
Email: lowes@halifax.k12.nc.us

No. of Copies made 0
List ABOVE

This letter is an appeal to the Federal Communications Commission in reference to the Schools and Libraries Division decision letter dated February 24, 2005 that denied our appeal dated on August 26, 2004. The initial appeal was on the Schools and Libraries Division decision letter dated June 29, 2004 for Form 471 # 371091. The funding year for this appeal is Year 6; July 1, 2003 – June 30, 2004. This appeal is based on the information received by Halifax County School District in response to the Funding Commitment Decision Letter dated June 2, 2004 that approved the Form 471 # 371091 in the amount of \$175,761.14. Then in a Commitment Adjustment Letter dated June 29, 2004 the prior decision to prove Erate funds was denied based on the following explanation:

After a thorough review, it was determined that this funding request will be rescinded in full. FCC rules require applicants to certify on each FCC Form 471 submitted that they have secured access to all of the resources, including computers, training, software, maintenance, and electrical connections necessary to make effective use of the services purchased as well as to pay the discounted charges for eligible services. See Schools and Libraries Universal Service, Services Ordered and Certification Form 471, Block 6, Item 25, OMB 3060-0806, October 2000. This requires you to pay your service provider the full cost of the non-discounted portion you owe to your service provider from the funds

P.O. Box 468 • 9525 Hwy. 301 South • Halifax, North Carolina 27839

- Equal Opportunity Employer -

you budgeted within that funding year. During the course of review you failed to demonstrate that at the time of filing the Form 471 the financial resources necessary to pay the non-discounted charges on your application, as well as the rest of the items that you outlined in your technology budget, had been secured. As a result, the commitment amount is rescinded in full.

This decision was made after the initial decision was made to fund FRN# 1012956 and without requesting any additional information between the time that the initial decision was made and the adjustment decision was made. Going through the review process, I submitted the information in the format requested, which includes a draft budget that was labeled as asked by the SLD review team. Also, funds have been paid to the service provider to cover the non-discounted portion of our request. I am enclosing documentation for the information that I am referring to which was used to make the initial decision to fund the FRN# 1012956 request. Please peruse the information that I have supplied and assist with Halifax County School Districts' quest to secure the Erate funds that were initially approved in the amount of \$175,761.14. Without these funds, our district can not meet the necessary charges that have been incurred to cover the internet service used during the 2003-2004 funding year. Our service provider has been patient concerning the unpaid charges; however we are approaching final deadlines to cover these charges with no funds to clear the account. Our Internet Service Provider/Schoollink has given us a deadline of April 15, 2005 to pay all outstanding charges for 2003-2004. We are not in a position to pay the outstanding balance, which is the Erate portion of our account. Any and all of your assistance is greatly needed and appreciated in our time of dire need.

Thanking you in advance for your assistance in our appeal process.

Sincerely,



Shelia Lowe
Technology Facilitator



Dr. Willie Gilchrist
Superintendent



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2003-2004

February 24, 2005

Shelia Lowe
Halifax County School District
PO Box 468
9525 Highway 301 South
Halifax, NC 27839

Re: Applicant Name: HALIFAX CO SCHOOL DISTRICT
Billed Entity Number: 126889
Form 471 Application Number: 371091
Funding Request Number(s): 1012956
Your Correspondence Dated: August 26, 2004

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of SLD's Funding Year 2003 Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 1012956
Decision on Appeal: **Denied**
Explanation:

- On appeal, you seek reversal of the decision outlined in the Commitment Adjustment Letter dated June 29, 2004. You assert that while going through the review process, you submitted all the requested documentation which included a draft budget. Also, funds have been paid to the service provider to cover your non-discounted portion of the funding request. You have included copies of the previously submitted budget for the SLD perusal.
- During the selective review you were asked to provide a copy of the operating budget which included lines items allocated for e-rate funding in both sections (revenue and expenses). In your response to the SLD dated October 22, 2003, you provided a copy of the budget which shows \$164,818.00 as funds allocated to

the e-rate funding and your required amount was \$1,040,647.93. FCC rules require applicants to certify on each FCC Form 471 submitted that they have secured access to all of the resources, including computers, training, software, maintenance, and electrical connections necessary to make effective use of the services purchased as well as to pay the discounted charges for eligible services. See Schools and Libraries Universal Service, Services Ordered and Certification Form 471, Block 6, Item 25, OMB 3060-0806, October 2000. This requires you to pay your service provider the full cost of the non-discounted portion you owe to your service provider from the funds you budgeted within that funding year. During the course of review you failed to demonstrate that at the time of filing the Form 471 the school had secured the financial resources necessary to pay the non-discounted charges on your application, as well as the rest of the items that you outlined in your technology budget. As a result, the commitment amount will be rescinded in full.

- SLD's review of your application indicated that the information you provided during the Item 25 review was not sufficient to demonstrate that, at the time you submitted your Form 471 application, you had secured access to these funds. In your appeal, you did not demonstrate that at the time you submitted your Form 471 application, you had secured access to these funds. Consequently, SLD denies your appeal.
- FCC rules require applicants to certify that, at the time they submit the FCC Form 471, they have secured access to all of the resources, including computers, training, software, maintenance, and electrical connections necessary to make effective use of the services purchased as well as to pay the non-discounted charges for eligible services. 47 C.F.R. § 54.504(b); FCC Form 471, Block 6 Item 25. SLD reviews this certification by conducting an Item 25 "necessary resources" review. The FCC has emphasized the importance of conducting this review to protect the integrity of the schools and libraries support mechanism. *Request for Review by New Orleans Public Schools, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of National Exchange Carrier Association, Inc.*, CC Docket Nos. 96-45 and 97-21, Order, 16 FCC Rcd. 16,653, DA 01-2097 (rel. Sep. 18, 2001). This rule requires the applicant to pay its service provider the full cost of the non-discounted portion owed to the service provider from the funds budgeted within that funding year.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either the SLD or the FCC. For appeals that have been denied in full, partially approved, dismissed, or cancelled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company



80 South Jefferson Road
Whippany, New Jersey 07981
Fax: 973-599-6515

Universal Service Administrative Company
Schools & Libraries Division

FAX TRANSMISSION COVER SHEET

To: Shelia Lowe
Fax: 1-252-583-1474
Subject: Funding year 2003 selective review - 126889 - Halifax Co School
From: Selective Review
Date: October 13, 2003
Time: 5:45:51 PM

YOU SHOULD RECEIVE 4 PAGE(S), INCLUDING THIS COVER SHEET. IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL THE CONTACT SPECIFIED BELOW.

Brent Knudson
Selective Review
Schools and Libraries Division
Phone: 973-884-8307
FAX: 973-599-6515
Email: bknudso@sl.universalservice.org

Privilege and Confidentiality Notice

The information in this telecopy is intended for the named recipients only. It may contain information that is privileged, confidential or otherwise protected from disclosure. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or the taking of any action in reliance on the contents of this telecopied material is strictly prohibited. If you have received the telecopy in error, please notify us by telephone immediately and mail the original to us at the above address. Thank you.



Universal Service Administrative Company
Schools & Libraries Division

CASE SR-2003-126889

Date: October 14, 2003
To: Shelia Lowe
Entity: Halifax Co School District
Fax #: 252-583-1474
Phone: 252-583-5111
Sender: Brent Knudson
Phone: 973-884-8307
Fax: 973-599-6515
Subject: Funding year 2003 selective review

*** **

This fax is a follow up to the information you provided in reference to the E-Rate Selective Review Information Request Funding Year 2003. Please provide the information requested by the close of business **Tuesday, October 21, 2003**. If we do not receive the information by that date, your application will be reviewed based on the information we currently have, which may impact the approval of your application

S. Watson
Hardware: ①

- Please provide a one-page summary of the resources and strategies you have available for acquiring hardware.
- Please list the number of servers and network drops you are requesting as well the hardware you currently have in place.

S. Watson
Software: ②

- Please provide a one-page summary of the resources and strategies you have available for acquiring software.
- List the software applications you currently have, both administrative and educational. Also, list any site licenses you may currently have as well as the software you plan on obtaining.

Pearson ✓ **Retrofitting:** ③

- Your investment in retrofitting appears low in relation to the level of network resources you are requesting. Have you already retrofitted your buildings for technology (prior to 2002)? If so, can you briefly document the dollar amount and/or the work done? Also please indicate if this is a relatively new school (past five years or so). If not, please provide a one-page summary of the resources and strategies you have available to retrofit you schools for technology.

Retrofitting refers to removing asbestos, adding air conditioning, upgrading wiring, building server closets, knocking down or drilling thorough walls, or anything else done in order to prepare buildings for new technology.

S. Watson **Maintenance** (4)

- Please document your plans for maintaining your equipment both old and new as well as ineligible hardware.
- Is the equipment under warranty?
- Do you have a maintenance contract?
- Do you have a maintenance staff who maintains the equipment? If so please include their salaries on the Item 25 worksheet if you have not already done so.

*C. Johnson
S. Smith*

Budget: (5) In addition to the information you sent please submit an operating budget for 2003-2004 showing **both revenues and expenses indicating where your portion of e-rate** is coming from. This should include not only the budget line items that you will be referencing, but also a high level summary of your overall operating budget. To allow us to conduct our review, please be sure ALL of the following are included on the budget that you fax and/or send to us:

- The **name of the entity** to which the budget applies (is it for a school? For a district? For one library outlet? For a library district? For a municipality?)
- The **time frame** that the budget covers, including a starting date and ending date (e.g., July 1, 2003-June 30, 2004)
- **Place an arrow next to each fund/budget line, on BOTH the revenue and expense side** of your budget, showing where you have allocated the necessary dollars for your share of E-rate. Please write the specific amount that will come from each fund/budget line. For example, if budget line A0002 contains \$200,000 and \$100,000 will be used to pay your share of E-rate, then please draw an arrow to it and write "E-rate, \$100,000."

S. Low **Contracts:** (6) The rules of this support mechanism require that a signed contract or a legally binding agreement with the service provider must have been in place at the time of submission of the Form 471. Please provide signed and dated copies of all contracts relating to your Funding Year 2003 Form(s) 471.

If contracts are not provided, please explain how a legally binding agreement was reached with the service providers.

1. Please explain when you entered into the binding agreement.
2. Whether it was a written or a verbal binding agreement
3. The process you used to enter the binding agreement (e.g. Evaluated bids, selected vendor, called vendor and told them they were selected.)
4. If the agreement was written, please provide a copy of the documentation that supports the agreement.

5. If the binding agreement was verbal, please provide a legal opinion as to why you believe the school has a legal obligation to the North Carolina Dept. Of Commerce, North Carolina School Link, Broadwing IT Consulting, CSI and Priority One Communications quotes. Please include supporting documentation.

S. Lane ✓ **Bids:** You stated that you received about 2 bids per funding request. Please indicate the number of bids per funding request. *(7)*

G. Lane ✓ **Vendor Selection:** You stated that the vendor selection process was based on 1) type of service, 2) company stability, 3) price quotes, and 4) customer reviews. Please indicate the **weighting** of those factors in percentages indicating **which factor was the primary** factor for the selection of the winning bids. *(9)*

Please call me if you have questions at 973-884-8307.

Thank you.

Brent Knudson
Selective Reviewer

HALIFAX COUNTY SCHOOLS

Budget Resolution

2003 – 2004

Be it resolved by the Board of Education of the Halifax County Schools Administrative Unit:

The following amounts are hereby appropriated for the operation of the school administrative unit in the Local Current Expense Fund for the fiscal year beginning July 1, 2003 and ending June 30, 2004:

I. LOCAL CURRENT EXPENSE FUND:

Instructional Program

• Regular	1,832,272
• Special	418,170
• Adult Education	30,564
• Co-curricular	99,988
• Educational Media Services	26,873
• Attendance - Social Work Services	22,628
• Guidance Services	3,019
• Industry Education Services	28,000
• Other Pupil Support Services	99,994
• Other - Employee Benefits	263,956
• Other - Additional Pay	9,875
• Other - Staff Development	54,840

Supporting Services

• Direction of Pupil Support Services	234,882
• Other Pupil Support	4,718
• Improvement of Instructional Serv.	134,077
• Educational Media Services	1,200
• Board of Education	88,616
• Executive Administration	331,943
• General Administration	24,314
• Other Administrative Support Services	84,450
• Office of the Principal	162,685
• Business Support Services	66,400
• Fiscal Services	6,400
• Operation of Plant	1,493,365
• Transportation	94,910
• Internal Services	27,534
• Maintenance of Plant	744,017
• Data Processing Services	51,798
• Technology Support Services	123,626
• Other - Employee Benefits	442,105
• Other - Additional Pay	129,150
• Other - Staff Development	50,883
• Community Services	33,089
• Non-Program Changes	5,000
• Payments to Other Units	251,923
• Unbudgeted Federal Grant Funds	703

Total Current Expense Fund Appropriation

7,477,967

Page 2

The following revenues are estimated to be available to the Local Current Expense Fund for the fiscal year beginning July 1, 2003 and ending June 30, 2004:

Local Revenues	3,597,035	
State Allocation	745,564	
Federal Allocation	2,896,664	
Fund Balance Appropriation	238,704	
		<hr/>
Total Current Expense Fund Appropriation		7,477,967

The following amounts are hereby appropriated for the operation of the school administrative unit in the State Public School Fund for the fiscal year beginning July 1, 2003 and ending June 30, 2004:

II. STATE PUBLIC SCHOOL FUND:
Instructional Program

• Regular	12,697,433	E-Rate \$29,456.
• Special	2,850,158	
• Educational Media Services	529,647	
• Attendance - Social Work Services	88,279	
• Guidance Services	529,179	
• Health Services	72,565	
• Industry Education Services	87,000	
• Special Populations Coordination	89,000	
• Other Pupil Support Services	104,949	
• Other - Employee Benefits	3,416,368	
• Other - Additional Pay	22,650	
• Other - Staff Development	84,525	

Supporting Services

• Improvement of Instructional Services	49,146
• Executive Administration	340,185
• General Administration	238,360
• Office of the Principal	1,889,720
• School Resource Officer Services	141,250
• Fiscal Services	216,100
• Operation of Plant	546,300
• Transportation of Pupils	1,102,174
• Maintenance of Plant	25,147
• Planning, Research, Dev. & Eval. Ser.	2,500
• Staff Services	59,451
• Technology Support Services	90,000
• Other Central Support Services	0
• Other - Employee Benefits	826,725
• Other - Additional Pay	250
• Other - Staff Development	32,428
• Community Services	22,986

Total State Public School Fund Appropriation	<hr/>	26,154,475
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The following revenues are estimated to be available to the State Public School Fund for the fiscal year beginning July 1, 2003 and ending June 30, 2004:

State Public School Fund Allocation

26,154,475

E-Rate, 29,456

The following amounts are hereby appropriated for the operation of the school administrative unit in the Federal Grants Fund for the fiscal year beginning July 1, 2003 and ending June 30, 2004:

III. FEDERAL GRANTS FUND:
Instructional Program

• Regular	537,284
• Special	2,810,406
• Adult Education	0
• Attendance - Social Work Services	43,665
• Health Services	0
• Psychological Services	0
• Speech, Pathology, Audiology	29,000
• Other Pupil Support Services	183,377
• Other - Employee Benefits	569,839
• Other - Additional Pay	46,940
• Other - Staff Development	529,941

Supporting Services

• Other Pupil Support Services	9,587
• Improvement of Instructional Services	129,925
• Executive Administration	52,339
• General Administration	35,886
• Transportation of Pupils	9,746
• Planning, Research and Development	0
• Personnel Services	31,000
• Capital Outlay	0
• Other - Employee Benefits	52,566
• Other - Additional Pay	6,850
• Other - Staff Development	15,500

Non-Programmed Charges

• Payment to other governmental units/transfers	101,131
• Reserve for Federal Grants	325,216

Total Federal Grants Fund Appropriation 5,520,198

The following revenues are estimated to be available to the Federal Grants Fund for the fiscal year beginning July 1, 2003 and ending June 30, 2004:

Federal Grants Allocation

5,520,198

Page 4

The following amounts are hereby appropriated for the operation of the school administrative unit in the **Child Nutrition Fund** for the fiscal year beginning July 1, 2003 and ending June 30, 2004:

IV. CHILD NUTRITION FUND:

• Child Nutrition	2,648,847	
• Other - Employee Benefits	392,542	
• Other - Additional Pay	28,400	
• Other - Staff Development	3,500	
• Payment to Other Units	266,500	
	<hr/>	
Total Child Nutrition Fund Appropriation		3,339,789

The following revenues are estimated to be available to the Child Nutrition Fund for the fiscal year beginning July 1, 2003 and ending June 30, 2004:

Federal Grants	2,343,000	
Local Revenues	584,600	
Fund Balance Appropriation	412,189	
	<hr/>	
Total Child Nutrition Appropriation		3,339,789

The following amounts are hereby appropriated for the operation of the school administrative unit in the Capital Outlay Fund for the fiscal year beginning July 1, 2003 and ending June 30, 2004:

V. CAPITAL OUTLAY FUND:

Category I: Acquisition of Property; General Construction

• Refinish Gym Floors	31,643	
• Enfield School Planning	441,133	E-Rate, 26,682.
• Transportation Tank Site Assessment	75,250	
• Rewire Hollister	25,000	
• Gravel for Site Improvements	1,000	
• Boiler Repairs/Replacement	20,000	
• Carpeting for Schools	10,000	
• Parking Lot Repairs - Various Schools	51,900	
• Replace Exterior Doors	10,000	
• Roofing Repairs	20,000	
• Replace Tile Floors in Schools	25,021	
• A/C and Heating System at Scotland Neck	34,300	
• Renovate Pittman and Bakers Media Ctrs.	75,398	
• Install Sidewalks	1,319	
• Replace Telephone Systems	15,000	
• Renovate Southeast HO Mobile Unit	2,027	
• Wm. R. Davie Athletic Field Improvements	5,007	

Total Category I

843,998

Category II: Replacement of Furnishings and Equipment

• Library Books/Media Updates	126,850	E-Rate, \$108,680.
• Basic School Equipment	60,000	
• Athletic Equipment	60,000	
• Cultural Arts Equipment	6,000	
• Vacuum Cleaners/Floor Machines	10,000	
• Weedeaters and Blowers for Schools	5,000	
• Central Office Equipment	10,000	
• Security Cameras and Lights	9,085	
• Refurbish School Lockers	4,629	
• Installment Payment on AS/400 Computer	25,307	
• Water Fountains for Schools	565	
• PA System for Northwest	915	

Total Category II	<hr/>	318,351
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Category III: Vehicles

• Purchase Resource Officer Vehicles	12,815
• Purchase Maintenance Vehicle	17,996
• Purchase Central Office Vehicle	5,000

Total Category III	<hr/>	35,811
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Total Capital Outlay		1,198,160
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The following revenues are estimated to be available to the Capital Outlay Fund for the fiscal year beginning July 1, 2003 and ending June 30, 2004:

State Sources	0	
Local Sources	1,198,160	E-Rate, \$135,362
Miscellaneous Sources	0	
Fund Balance Appropriation	0	
Total Capital Outlay Appropriation	<hr/>	1,198,160

- VI. All appropriations shall be paid firstly from revenues restricted as to use and secondly from general unrestricted revenues.
- VII. The Superintendent is hereby authorized to transfer appropriations within a fund under the following conditions:
- He may transfer amounts between sub-functions within a function without limitations.
 - He may transfer amounts in the Local Current Expense Fund and the Capital Outlay Fund between functions and within the same Program Report Code without limitation.
 - He may transfer amounts in the State Public School Fund, Federal Grants and Child Nutrition Fund between purposes without limitation.
 - He may not transfer any amount between funds or from any contingency appropriated within the Local Current Expense Fund and the Capital Outlay Fund.

Adopted this Second day of September 2003.
HALIFAX COUNTY BOARD OF EDUCATION

Chairman of the Board

Secretary to the Board

Budget emailed to
Brent Knudson
10/22/03



Universal Service Administrative Company
Schools & Libraries Division

FUNDING COMMITMENT DECISION LETTER

(Funding Year 2003: 07/01/2003 - 06/30/2004)

June 2, 2004

HALIFAX CO SCHOOL DISTRICT
SHELIA LOWE
PO BOX 468
9525 Highway 301 S
HALIFAX, NC 27839

Re: Form 471 Application Number: 371091
Funding Year 2003: 07/01/2003 - 06/30/2004
Billed Entity Number: 126889
Applicant's Form Identifier: HCSY6INTERNET

Thank you for your Funding Year 2003 E-rate application and for any assistance you provided throughout our review. Here is the current status of the funding request(s) featured in the Funding Commitment Report at the end of this letter.

- The amount, \$175,761.14 is "Approved."

Please refer to the Funding Commitment Report on the page following this letter for specific funding request decisions and explanations.

NEW FOR FUNDING YEAR 2003

The Important Reminders and Deadlines immediately preceding this letter are provided to assist you throughout the application process.

NEXT STEPS

- Review technology planning requirements
- Review CIPA Requirements
- File Form 486
- Invoice the SLD using the Form 474 (service providers) or Form 472 (Billed Entity)

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. The enclosed report includes a list of the Funding Request Number(s) (FRNs) from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) upon the filing of your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

TO APPEAL THIS DECISION:

If you wish to appeal the decision indicated in this letter, your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.

2. State outright that your letter is an appeal. Identify which Funding Commitment Decision(s) you are appealing. Indicate the relevant funding year and the date of the FCDL. Your letter of appeal must also include the Billed Entity Name, the Form 471 Application Number, and the Billed Entity Number from the top of your letter.
3. When explaining your appeal, copy the language or text from the Funding Commitment Report that is at the heart of your appeal, to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We encourage the use of either the e-mail or fax filing options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, sent to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use either the e-mail or fax filing options.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Universal Service Support Mechanism. Applicants who have received funding commitments continue to be subject to audits and other reviews that the SLD and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. The SLD may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by the SLD, the applicant, or the service provider. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division
Universal Service Administrative Company

A GUIDE TO THE FUNDING COMMITMENT REPORT

A report for each E-rate funding request from your application is attached to this letter. We are providing the following definitions for the items in that report.

FORM 471 APPLICATION NUMBER: The unique identifier assigned to a Form 471 application by the SLD.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each Block 5 of your Form 471 once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount funding requests submitted on a Form 471.

FUNDING STATUS: Each FRN will have one of the following definitions:

1. An FRN that is "Funded" will be approved at the level that the SLD determined is appropriate for that item. The funding level will generally be the level requested unless the SLD determines during the application review process that some adjustment is appropriate.
2. An FRN that is "Not Funded" is one for which no funds will be committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision," and amplification of that explanation may be offered in the section, "Funding Commitment Decision Explanation." An FRN may be "Not Funded" because the request does not comply with program rules, or because the total amount of funding available for this Funding Year was insufficient to fund all requests.
3. An FRN that is "As Yet Unfunded" reflects a temporary status that is assigned to an FRN when the SLD is uncertain at the time the letter is generated whether there will be sufficient funds to make commitments for requests for Internal Connections at a particular discount level. For example, if your application included requests for discounts on both Telecommunications Services and Internal Connections, you might receive a letter with funding commitments for your Telecommunications Services funding requests and a message that your Internal Connections requests are "As Yet Unfunded." You would receive one or more subsequent letters regarding the funding decision on your Internal Connections requests.

SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. A SPIN is also used to verify delivery of services and to arrange for payment.

SERVICE PROVIDER NAME: The legal name of the service provider.

CONTRACT NUMBER: The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on Form 471.

EARLIEST POSSIBLE EFFECTIVE DATE OF DISCOUNT: The first possible date of service for which the SLD will reimburse service providers for the discounts for the service.

CONTRACT EXPIRATION DATE: The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a will be listed. This will appear only for "site specific" FRNs.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE RECURRING CHARGES: Eligible monthly pre-discount amount approved for recurring charges multiplied by number of months of recurring service provided in the funding year.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE NON-RECURRING CHARGES: Annual eligible non-recurring charges approved for the funding year.

PRE-DISCOUNT AMOUNT: Amount in Form 471, Block 5, Item 23I, as determined through

the application review process.

DISCOUNT PERCENTAGE APPROVED BY THE SLD: This is the discount rate that the SLD has approved for this service.

FUNDING COMMITMENT DECISION: This represents the total amount of funding that the SLD has reserved to reimburse service providers for the approved discounts for this service for this funding year. It is important that you and the service provider both recognize that the SLD should be invoiced and the SLD may direct disbursement of discounts only for eligible, approved services actually rendered.

FUNDING COMMITMENT DECISION EXPLANATION: This entry may amplify the comments in the "Funding Commitment Decision" area.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 371091
Funding Request Number: 1012956 Funding Status: Funded
Services Ordered: Internet Access
SPIN: 143006012 Service Provider Name: School Link Inc.
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2003
Contract Expiration Date: 06/30/2004
Annual Pre-discount Amount for Eligible Recurring Charges: \$195,290.16
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$195,290.16
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$175,761.14 - FRN approved as submitted



Universal Service Administrative Company
Schools & Libraries Division

FORM 486 NOTIFICATION LETTER
(Funding Year 2003: 07/01/2003 - 06/30/2004)

July 14, 2004

HALIFAX CO SCHOOL DISTRICT
Shelia Lowe
9525 HWY 301 SOUTH
HALIFAX, NC 27839

Re: Form 486 Application Number: 259715
Applicant's Form 486 Identifier: INTERNETY7

This letter is to notify you that the Schools and Libraries Division (SLD) has received and accepted an FCC Form 486, Receipt of Service Confirmation Form, from you. This notification is to confirm the information that you provided. This information is being shared with the service provider whose SPIN you identified on the affected Funding Request Number(s) (FRN).

NEXT STEPS

- Work with your service provider to establish discounts (SPI) or reimbursements (BEAR)
- Invoice the SLD -
 - applicant invoice is BEAR Form for reimbursements
 - service provider invoice is SPI Form for discounts
- Pay non-discount portion, as stated in program rules
- Maintain ALL documentation, as stated in program rules

You may be receiving this letter to revise or correct a previous Form 486 Notification Letter. The information contained in this letter supersedes any previous notification you may have received, including, but not limited to, a previously adjusted Service Start Date or previously reduced funding commitment.

NOTICE ON SERVICE START DATE

There may be some situations where one or more Service Start Dates as reflected on this letter have been changed from what you indicated on the Form 486. Such changes are made by the SLD to be in compliance with program rules. You will know that a change has been made if there is an asterisk next to the Service Start Date. If the SLD changed the Service Start Date, this change may have triggered a reduction in the funding commitment. It is important that you and the service provider both recognize that the SLD should be invoiced and the SLD may direct disbursement of the discounts only on eligible, approved products and/or services actually delivered and installed on or after the Service Start Date indicated on this letter.

TO APPEAL THE SERVICE START DATE/FUNDING COMMITMENT CHANGE DECISION

If you wish to appeal the Service Start Date change(s) and/or funding commitment adjustment(s) indicated in this letter, your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify which ERN Service Start Date change or Funding Commitment adjustment you are appealing. Indicate the relevant funding year and the date of this Form 486 Notification Letter. Your letter of appeal must also include the relevant Funding Request Number(s), the Billed Entity Name, the Form 471 Application Number, and the Billed Entity Number from your Form 486.
3. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We encourage the use of either the e-mail or fax filing options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use either the e-mail or fax filing options.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Universal Service Support Mechanism. Applicants who have received funding commitments continue to be subject to audits and other reviews that the SLD and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. The SLD may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by the SLD, the applicant, or the service provider. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

A GUIDE TO THE FORM 486 NOTIFICATION LETTER FUNDING COMMITMENT REPORT

A report for each FRN for which you have notified us of a Service Start Date is attached to this letter. We are providing the following definitions for the items in that report.

Funding Request Number (FRN): A Funding Request Number is assigned by the SLD to each Block 5 of your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.

Form 471 Application Number: A unique identifier assigned to a Form 471 application by the SLD.

Service Provider Name: The name of the service provider that you identified as providing the service included in this FRN.

Service Provider Identification Number: The unique number assigned by USAC to the service provider you identified as providing the service included in this FRN.

Billing Account Number: The account number that you have established with your service provider for billing purposes. This will be present only if a Billing Account Number was provided on the Form 471.

Service Start Date: The Service Start Date (SSD) as indicated on the Form 486. If this date is marked with an asterisk, it was changed by the SLD to be in compliance with program rules and an explanation for the change has been provided. This date as shown is controlling and USAC will not reimburse discounts on products and/or services delivered or installed prior to this date.

Service Start Date Change Explanation (SHOWN ONLY IF RELEVANT): If the Service Start Date is marked with an asterisk, this field will explain why the SLD changed the date. One of the following explanations may appear:

AVSCD: The Service Start Date may not be before the Allowable Vendor Selection/Contract Date (AVSCD) from the Form 470 cited for this FRN on the Form 471. If you indicated an earlier SSD on the Form 486, the SLD changed the SSD to the AVSCD.

120-DAY 486 DEADLINE: Forms 486 must be postmarked no later than 120 days after the start of services or no later than 120 days after the date of the FCDL, whichever is later. If the Form 486 is postmarked after the later of those two dates, the SLD changed the SSD to the date 120 days before the Form 486 postmark date. That date will become the start date for discounted services. You are advised to keep proof of the date of mailing of your form(s).

Adjusted Funding Commitment (SHOWN ONLY IF RELEVANT): If the SLD changed the Service Start Date, this change may have triggered a reduction in the funding commitment. This field will only appear if there is a reduction to the funding commitment amount.

FORM 486 NOTIFICATION LETTER
FUNDING COMMITMENT REPORT
(Funding Year 2003)

Funding Request Number: 1012956
Form 471 Application Number: 371091
Service Provider Name: School Link Inc.
Service Provider Identification Number: 143006012
Billing Account Number: N/A
Service Start Date: 07/01/2003



Universal Service Administrative Company
Schools & Libraries Division

COMMITMENT ADJUSTMENT LETTER

June 29, 2004

SHELIA LOWE
HALIFAX CO SCHOOL DISTRICT
PO BOX 468
HALIFAX, NC 27839

Re: COMMITMENT ADJUSTMENT
Funding Year 2003 -2004
Form 471 Application Number: 371091

Dear Applicant:

Our routine reviews of Schools and Libraries Program funding commitments revealed certain applications where funds were committed in violation of program rules.

In order to be sure that no funds are used in violation of program rules, SLD must now adjust your overall funding commitments. The purpose of this letter is to make the adjustments to your funding commitments required by program rules.

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. The enclosed report includes a list of the FRNs from your application for which adjustments are necessary. The SLD is also sending this information to your service provider(s), so preparations can be made to implement this decision. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

Please note that if the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the funds disbursed. The amount is shown as Funds to be Recovered. If funds must be recovered, we will be sending your service provider a letter describing the process for recovering these funds in the near future, and we will send a copy of the letter to you. If the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount.

TO APPEAL THIS DECISION:

If you wish to appeal the Funding Commitment Decision indicated in this letter, your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify which Commitment Adjustment Letter you are appealing. Your letter of appeal must include the Billed Entity Name, the Form 471 Application Number, and the Billed Entity Number from the top of your letter.
3. When explaining your appeal, copy the language or text from the Commitment Adjustment Letter that is at the heart of your appeal to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125- Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We encourage the use of either the e-mail or fax filing options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket Nos. on the first page of your appeal to the FCC. Your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site, or by contacting the Client Service Bureau. We strongly recommend that you use either the e-mail or fax filing options.

A GUIDE TO THE FUNDING COMMITMENT REPORT

Attached to this letter will be a report for each funding request from your application for which a commitment adjustment is required. We are providing the following definitions.

- **FUNDING REQUEST NUMBER (FRN):** A Funding Request Number is assigned by the SLD to each request in Block 5 of your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.
- **SPIN (Service Provider Identification Number):** A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support programs.
- **SERVICE PROVIDER:** The legal name of the service provider.
- **CONTRACT NUMBER:** The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.
- **SERVICES ORDERED:** The type of service ordered from the service provider, as shown on Form 471.
- **SITE IDENTIFIER:** The Entity Number listed in Form 471 for "site specific" FRNs.
- **BILLING ACCOUNT NUMBER:** The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on your Form 471.
- **ADJUSTED FUNDING COMMITMENT:** This represents the adjusted total amount of funding that SLD has committed to this FRN. If this amount exceeds the Funds Disbursed to Date, the SLD will continue to process properly filed invoices up to the new commitment amount.
- **FUNDS DISBURSED TO DATE:** This represents the total funds which have been paid up to now to the identified service provider for this FRN.
- **FUNDS TO BE RECOVERED:** This represents the amount of Funds Disbursed to Date that exceed the Adjusted Funding Commitment amount. These funds will have to be recovered. If the Funds Disbursed to Date do not exceed the Adjusted Funding Commitment amount, this entry will be \$0.
- **FUNDING COMMITMENT ADJUSTMENT EXPLANATION:** This entry provides a description of the reason the adjustment was made.

Funding Commitment Report for Application Number: 371091

Funding Request Number 1012956 SPIN: 143006012

Service Provider: School Link Inc.

Contract Number: N/A

Services Ordered: INTERNET ACCESS

Site Identifier:

Billing Account Number:

Adjusted Funding Commitment: \$0.00

Funds Disbursed to Date: \$0.00

Funds to be Recovered: \$0.00

Funding Commitment Adjustment Explanation:

After a thorough review, it was determined that this funding request will be rescinded in full. FCC rules require applicants to certify on each FCC Form 471 submitted that they have secured access to all of the resources, including computers, training, software, maintenance, and electrical connections necessary to make effective use of the services purchased as well as to pay the discounted charges for eligible services. See Schools and Libraries Universal Service, Services Ordered and Certification Form 471, Block 6, Item 25, OMB 3060-0806, October 2000. This requires you to pay your service provider the full cost of the non-discounted portion you owe to your service provider from the funds you budgeted within that funding year. During the course of review you failed to demonstrate that at the time of filing the Form 471 the financial resources necessary to pay the non-discounted charges on your application, as well as the rest of the items that you outlined in your technology budget, had been secured. As a result, the commitment amount is rescinded in full.

August 16, 2004

Sheila Lowe
Halifax County Schools
PO Box 468
Halifax, NC 27839

Dear Ms. Lowe:

As requested, here is the current statement for Halifax County Schools for the previous school year's Internet Access. This statement reflects Halifax County School's initial payment in June 2003 of \$24,000.00 towards their estimated non-erate portion. Halifax County Schools also subsequently paid \$60,000.00 on 5/14/2004, towards the amount remaining, due to the subsequent denial by e-rate of FRN's 1013370 and 1012956

If any further information is required feel free to contact me at the numbers listed.

Sincerely,



Molly Arnold
C.F.O.

Schoollink, Inc.
1641 Sycamore Dairy Road

Fayetteville,
North Carolina 28303

910.223.2116
Fax: 910.223.2116
www.schoollink.net

Schoollink, Inc.

PO BOX 36067
Fayetteville, NC 28303

Statement

Customer No.: HAL01

Invoice No.: 21344

Bill To:

HALIFAX COUNTY SCHOOLS
ATTN: STEVE SMITH
P.O. BOX 468
HALIFAX, NC 27839

Ship To:

HALIFAX COUNTY SCHOOLS
ATTN: STEVE SMITH
P.O. BOX 468
HALIFAX, NC 27839

Customer ID		Customer PO		FRN Number	
HAL01				1013370 & 1012956	
Sales Rep		Shipping Method		Order Date	Today's Date
				07/01/03	08/16/04
Quantity	Item	Description	Year Total	Funded	School Portion
12	NET T-1	AURELIAN SPRINGS	15022.32	13238.42	1783.90
12	NET T-1	BAKERS ELEMENTARY	15022.32	13238.42	1783.90
12	NET T-1	BRAWLEY MS	15022.32	13238.42	1783.90
12	NET T-1	WILLIAM DAVIE MS	15022.32	13238.42	1783.90
12	NET T-1	DAWSON ELEMENTARY	15022.32	13238.42	1783.90
12	NET T-1	EASTMAN MS	15022.32	13238.42	1783.90
12	NET T-1	ENFIELD MS	15022.32	13238.42	1783.90
12	NET T-1	EVERETTE ELEMENTARY	15022.32	13238.42	1783.90
12	NET T-1	HOLLISTER ELEMENTARY	15022.32	13238.42	1783.90
12	NET T-1	INBORDEN ELEMENTARY	15022.32	13238.42	1783.90
12	NET T-1	MCIVER ELEMENTARY	15022.32	13238.42	1783.90
12	NET T-1	NORTHWEST HS	15022.32	13238.42	1783.90
12	NET T-1	PITTMAN ELEMENTARY	15022.32	13238.42	1783.90
12	NET T-1	SCOTLAND NECK PRIMARY	15022.32	13238.42	1783.90
12	NET T-1	SOUTHEAST HS	15022.32	13238.42	1783.90
12	NET T-1	CENTRAL OFFICE	15022.32	13238.41	1783.91
12	CONTENT	CONTENT FILTERING	1200.00		1200.00

Year Total 241557.12

Payment 06/03 -24000.00

Payment 05/04 -60000.00

Balance Due 157557.12

THE SERIAL NUMBER ON THIS DOCUMENT PENETRATES TO THE REVERSE SIDE AS RED INK

STATE TREASURER
Raleigh, N.C. 66-1059/531
Payable at par through the
FEDERAL RESERVE SYSTEM

STATE OF NORTH CAROLINA
Halifax County Administrative Unit
STATE PUBLIC SCHOOL FUND

No. 880397

DATE	CHECK NUMBER
05/12/04	880397

CHECK AMOUNT
*****60,000.00

PAY EXACTLY *****60,000 DOLLARS AND NO CENTS
000003525

TO
THE
ORDER
OF
SCHOOL LINK, INC.
PO BOX 36067
FAYETTEVILLE, NC 28303

NON NEGOTIABLE

SCHOOL FINANCE OFFICER

SECRETARY OF BOARD

⑈880397⑈ ⑆053110594⑆ ⑆00000000⑆

HALIFAX COUNTY ADMINISTRATIVE UNIT
P.O. BOX 468 - HALIFAX, N.C. 27839

State Public School Fund
General Expense Voucher

UNIT NO. 420

CHECK NO. 880397

ACCOUNT NUMBER	P/O#	INVOICE #	INVOICE AMOUNT	DISC.	NET AMOUNT
1510001531100000000 INTERNET 2003-04/PORTIO	PORTION/051104		60000.00		60000.00
			05/12/04	880397--CHECK TOTAL	60000.00

PAYEE SHOULD DETACH STUB AND DEPOSIT VOUCHER AT ONCE SUPERINTENDENT'S COPY

PAYMENT OF ESTIMATED BALANCE FOR 2003-04

HALIFAX COUNTY SCHOOLS

LOCAL SCHOOL INVOICE

Name of School Central Office

Date of Invoice:

5/11/04

Person Making Purchase _____

Purchased from (name & address) Schoollink, Inc.

3641 Sycamore Dairy Road

Fayetteville, NC 28303

quantity	description of materials and/or service	unit amt.	to ar
----------	---	--------------	----------

Payment of portion of Internet Service
Charges for 2003 - 2004

THIS DISBURSEMENT HAS BEEN APPROVED AS REQUIRED
BY THE SCHOOL BUDGET AND FISCAL CONTROL ACT.

PAID *J. Smith*

1,5100.015,311

J. Smith
5/11/04

Sub total 60,000.00

tax —

Total Invoice 60,000.00

I hereby certify that this invoice is correct to the best of my knowledge.

Signature of person providing service or materials.



April 7, 2004

Steve Smith
Halifax County Schools
PO Box 468
Halifax, NC 27839

Dear Mr. Smith:

Enclosed is a spreadsheet detailing the calculation of the amount Halifax County Schools owes School Link, Inc. for the 2003-2004 school year with \$217,557.12 due by June 30, 2004. The past due balance is \$177,297.60 with an additional amount of \$40,259.52 for the months of May and June to be added.

Schoollink has provided ten months of service without any funding commitment from e-rate. Please inquire to Schools & Libraries as to the status of your application; we have received no acknowledgement from them of your filing being accepted.

Unfortunately, providing service without payment is no longer an option. We appreciate your understanding that payment arrangements need to be made right away. We will promptly process your BEAR request when you are funded by e-rate.

Please contact me at 877-223-2116 ext. 109 to discuss payment options. Thanking you in advance for your prompt assistance in receiving payment.

Sincerely,

A handwritten signature in cursive script that reads 'Molly Arnold'.

Molly Arnold
C.F.O.

Schoollink, Inc.
3841 Sycamore Dairy Road
Fayetteville,
North Carolina 28303

910.223.2116
Fax: 910.223.2116
www.schoollink.net

[illegible]

THE SERIAL NUMBER ON THIS DOCUMENT PENETRATES TO THE REVERSE SIDE AS RED INK

STATE TREASURER
Raleigh, N.C. 66-1059/531
Payable at par through the
FEDERAL RESERVE SYSTEM

STATE OF NORTH CAROLINA
Halifax County Administrative Unit
STATE PUBLIC SCHOOL FUND

No. 875623

DATE	CHECK NUMBER
06/06/03	875623

CHECK AMOUNT
*****24,000.00

PAY EXACTLY *****24,000 DOLLARS AND NO CENTS
000003525

SCHOOL LINK, INC.
PO BOX 36067
TO THE ORDER OF FAYETTEVILLE, NC 28303

NON NEGOTIABLE

SCHOOL FINANCE OFFICER

SECRETARY OF BOARD

⑈875623⑈ ⑆053110594⑆ ⑆000⑈44⑈

HALIFAX COUNTY ADMINISTRATIVE UNIT
P.O. BOX 468 - HALIFAX, N.C. 27839

State Public School Fund
General Expense Voucher

UNIT NO. 420

CHECK NO. 875623

ACCOUNT NUMBER	P/O#	INVOICE #	INVOICE AMOUNT	DISC.	NET AMOUNT
1510001531100000000 CUST# HAL01	21247		24000.00		24000.00
06/06/03 875623--CHECK TOTAL					24000.00

PAYEE SHOULD DETACH STUB AND DEPOSIT VOUCHER AT ONCE SUPERINTENDENT'S COPY

INITIAL ADVANCED PAYMENT FOR 2003-04

Schoollink, Inc.PO BOX 36067
Fayetteville, NC 28303

Invoice

Customer No.: HAL01

Invoice No.: 21247

Bill To:

HALIFAX COUNTY SCHOOLS
ATTN: STEVEN SMITH
P.O. BOX 468
Halifax, NC 27839

Ship To:

HALIFAX COUNTY SCHOOLS
ATTN: STEVEN SMITH
P.O. BOX 468
Halifax, NC 27839

Customer ID		Customer PO		Payment Terms	
HAL01				Net 15	
Sales Rep		Shipping Method		Order Date	Due Date
				05/30/03	06/12/03
Quantity	Item	Description		Unit Price	Extension
1	CONTRACT	INITIAL PAYMENT FOR INTERNET SERVICE		24000.00	24000.00
<p>1,5700.015, 311</p> <p><i>[Signature]</i></p> <p>6/11/03</p> <p>THIS DISBURSEMENT HAS BEEN APPROVED AS REQUIRED BY THE SCHOOL BOARD AND FISCAL CONTROL ACT.</p> <p>PAID <i>[Signature]</i></p>					
				Subtotal	24000.00
				Freight	0.00
				Sales Tax	0.00
				Amount Paid	0.00
				Total	24000.00